GOVERNMENT OF INDIA
CORPORATE AFFAIRS
LOK SABHA

UNSTARRED QUESTION NO:3218
ANSWERED ON:19.12.2008
DEFUNCT COMPANIES
Patel Shri Kishanbhai Vestabhai;Sai Shri Nand Kumar

Will the Minister of CORPORATE AFFAIRS be pleased to state:

(a) whether the Government has issued any instruction to remove defunct companies from the Register of Companies;

(b) if so,the details thereof; and

(c) the number of defunct companies removed from the Register of Companies during the last three years and the current year?

Answer

THE MINISTER OF CORPORATE AFFAIRS(SHRI PREM CHAND GUPTA)

(a) & (b): Yes, Sir.Section 560 of the Companies Act, 1956 (the "Act") provides a framework for striking out defunct companies from the Register of Companies.To enable eligible companies to have their names struck off expeditiously,the Central Government introduced Simplified Exit Scheme (SES) in 2003 and Simplified Exit Scheme (SES) in 2005.Registrars of Companies have also been advised to take suo-motu action in respect of defunct companies under the said provisions of the Act.

(c) During the last three years and current year,the number of defunct companies whose names have been struck off from the Register of Companies is as follows:-

2005-06 32210

2006-07 17659

2007-08 65052

Current year 9147

(From 1.4.2008 to 31.10.2008)